

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR AN)
ADJUSTMENT IN EXISTING RATES) CASE NO. 2011-00035

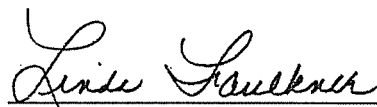
NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on July 7, 2011 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on July 7, 2011.

A copy of this Notice, the certification of the digital video record, and hearing log have been served by first class mail upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at http://psc.ky.gov/av_broadcast/2011-00035/2011-00035_07Jul11_Inter.asx. Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 13th day of July 2011.

A handwritten signature in cursive script, reading "Linda Faulkner". The signature is written in black ink and is positioned above a horizontal line.

Linda Faulkner
Director, Filings Division
Public Service Commission of Kentucky

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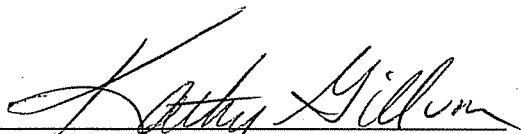
APPLICATION OF KENERGY CORP. FOR AN)
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CERTIFICATE

I, Kathy Gillum, hereby certify that:

1. The attached DVD contains a digital recording of the hearing conducted in the above-styled proceeding on July 7, 2011;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the hearing;
4. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the hearing of July 7, 2011 and the time at which each occurred.

Given this 12th day of July, 2011.


Kathy Gillum, Notary Public
State at Large

My commission expires: Sept 3, 2013



Case History Log Report

Case Number: 2011-00035_07Jul11

Case Title: Kenergy Corporation

Case Type: General Rates

Department:

Plaintiff:

Prosecution:

Defendant:

Defense:

Date: 7/7/2011

Location: Default Location

Judge: David Armstrong, Jim Gardner, Charles Borders

Clerk: Kathy Gillum

Bailiff:

Event Time	Log Event	
10:01:46 AM	Case Started	
10:02:04 AM	Preliminary Remarks	
10:02:38 AM	Introductions Note: Kathy Gillum	J. Christopher Hopgood representing Kenergy Corp.; Michael Kurtz representing KIUC; and Quang Nguyen Staff Attorney for the Commission
10:03:26 AM	Housekeeping Issues Discussed Note: Kathy Gillum	Mr. Hopgood stated that proof of publication was filed yesterday, and he would be filing the verification page for Response to Data Request containing the original signature.
10:04:07 AM	Witness, Sanford Novick (Kenergy) Note: Kathy Gillum	Witness called to testify by Chris Hopgood (Kenergy).
10:05:47 AM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding pre-filed testimony, page 2. Lines 21-24 regarding large increase over the past 2 1/2 years. Witness asked to provide explanation of what type of growth Kenergy experienced. Questions regarding replacement of existing facilities, poles, conductors, etc.
10:09:41 AM	Questions by Commissioner Gardner Note: Kathy Gillum	Commissioner Gardner asked the following question: "Was that \$3,000.00 per pole?"
10:09:48 AM	Witness (Novick) Note: Kathy Gillum	Mr. Novick's answer to Commissioner Gardner's question was: "to replace a pole".
10:10:04 AM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	continues Questions regarding allocation of revenue increase. Questions regarding reduction listed in settlement agreement. No more questions.

10:12:31 AM	Questions by Commissioner Gardner Note: Kathy Gillum	Questions regarding direct serve, industrial and residence customers. Questions regarding direct serve A, B and C. Questions regarding smelters. Questions regarding percentage consumed by residential customers. (10 percent) Questions regarding percentage by smelters (70-80 percent). Questions regarding settlement agreement. Questions regarding test year. Questions regarding wholesale rate allocation percentage. Questions regarding pre-filed testimony regarding meter replacement. Questions regarding expenses listed in settlement. Questions regarding depreciation study\rate agreed to in the settlement. (No. 5 in Amendment). Questions regarding Kenergy website statement that electric costs would soar under regulations; as relates to energy efficiency programs.
10:33:53 AM	Questions by Commissioner Borders Note: Kathy Gillum	Questions regarding out of line rates. Questions regarding settlement agreement effective date and flow-thru.
10:36:54 AM	Chairman Armstrong Note: Kathy Gillum	Chairman Armstrong asked if there was any re-direct.of this witness.
10:37:03 AM	Re-direct by Christopher Hopgood (Kenergy) Note: Kathy Gillum	Questions regarding vegetation management.
10:38:00 AM	Re-Cross by Quang Nguyen (PSC) Note: Kathy Gillum	Mr. Nguyen stated that he would like to clarify the increase of the facilities charge.
10:38:45 AM	Witness Excused (Novick)	
10:38:54 AM	Witness Steve Thompson (Kenergy) Note: Kathy Gillum	Witness called to testify by Christopher Hopgood.
10:39:59 AM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding facilities charge. Witness is asked to explain what a facilities charge is. (\$10,000.00 revenue increase). Questions regarding Exhibit 3A, 2nd revised sheet No. 3; Exhibit 10A under column J; Questions regarding Exhibit 3A, 1st revised sheet ;
10:46:25 AM	Data Request by Quang Nguyen (PSC) Note: Kathy Gillum	Mr. Nguyen requests confirmation that the proposed rate for high pressure sodium light 1000 watts is \$32.69.
10:46:37 AM	Quang Nguyen (PSC) continues Note: Kathy Gillum	Questions regarding Exhibit 3A, sheet No. 15A and No. 10A.
10:48:39 AM	Data Request by Quang Nguyen (PSC) Note: Kathy Gillum	Quang Nguyen requests that Kenergy provide the First Revised Sheet No. 15A for Exhibits 3A and 3B to Kenergy's Response to Staff's 4th Data Request, as a post hearing data request .
10:48:47 AM	Quang Nguyen (PSC) continues Note: Kathy Gillum	Questions regarding page 3, paragraph 2 of settlement stipulation clarifications. Questions regarding PSC 3rd D.R. Item No. 23. Questions regarding Exhibit B relating to pension plans of Green River and Henderson employees. That's all of the questions I have.
10:55:40 AM	Witness excused (Thompson)	
10:55:55 AM	Chairman Armstrong Note: Kathy Gillum	Chairman Armstrong admonishes participants of settlement agreement.

10:57:26 AM	Quang Nguyen (PSC) Note: Kathy Gillum	Mr. Nguyen stated that there were just a few housekeeping issues. The Post Hearing Data Requests would be due July 14 . Mr. Nguyen also stated that he did not see any members of the public on the sign in sheet.
10:58:06 AM	Chairman Armstrong Note: Kathy Gillum	Chairman Armstrong asks if there were any members of the public present. No members of the public were present.
10:58:33 AM	Hearing Adjourned	
10:58:46 AM	Case Recessed	
10:04:08 AM	Examination by Christopher Hopgood (Kenergy) Note: Kathy Gillum	Qualifications of witness by Chris Hopgood. Witness' pre-filed direct testimony was filed twice in this case: once as Exhibit 6 to Application; and once as Supplemental Testimony as a result of the settlement. Witness adopts previously filed testimony and settlement documents along with supplements and amendments.
10:38:55 AM	Examination by Christopher Hopgood (Kenergy) Note: Kathy Gillum	Qualification of witness by Christopher Hopgood. Witness adopts pre-filed testimony.
11:53:05 AM	Case Stopped	